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FM AMEMBASSY ABUJA  
TO RUEHC/SECSTATE WASHDC 7696  
INFO RUEHOS/AMCONSUL LAGOS 5451  
RUEHZK/ECOWAS COLLECTIVE  
RUEATRS/DEPT OF TREASURY WASHDC

UNCLAS SECTION 01 OF 02 ABUJA 002902

SIPDIS

SENSITIVE  
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STATE PASS TO USTR FOR C. HAMILTON  
TREASURY FOR LUKAS KOHLER/DAN PETERS  
USDOC FOR 3317/ITA/OA/KBURRESS  
USDOC FOR 3130/USFC/OIO/ANESA/DHARRIS

E.O. 12958: N/A

TAGS: [EFIN](#) [ECON](#) [ASEC](#) [KCRM](#) [PTER](#) [NI](#)

SUBJECT: ASSESSMENT OF NFIU FOR EGMONT GROUP ADMISSION

¶1. (U) Summary: A representative from the U.S. Treasury's Financial Crimes Enforcement Network (FINCEN) unit conducted a positive assessment of Nigeria's Financial Intelligence Unit (NFIU) for membership in the Egmont Group at the next plenary session for 2007.

The assessment went well and the USG along with the Bahamas and Mauritius will sponsor NFIU membership in the Egmont Group. Nigerian officials are open to more engagement and training from the USG. End Summary.

Egmont Group  
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¶2. (U) The Egmont Group is an informal grouping of FIU's that cooperate in information exchange, training, and sharing of expertise in anti-money laundering and combating the financing of terrorism (AML/CFT). Its goal is to provide a forum for FIU's around the world to fight money laundering, terrorist financing and other financial crimes. For the NFIU to join the group it must undergo an assessment by a supporting or sponsoring FIU.

Where Does Nigeria Stand?  
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¶3. (U) FINCEN belongs to the Egmont Group and is one of the NFIU's sponsors along with the Bahamas FIU and the Mauritius FIU. From October 16-19, Jerry Crawford, financial analyst at FINCEN, conducted an assessment of Nigeria's Financial Intelligence Unit (NFIU) for membership in the Egmont Group at the next plenary session for 2007. Nigeria had already passed the initial assessment which consisted of having money laundering and terrorism financing legislation in place and enforceable, an operational FIU, willingness to join the Egmont Group and the possibility of exchanging information with other FIU's.

¶4. (SBU) Crawford completed an assessment after meeting private banks, financial institutions and Government of Nigeria (GON) regulatory agencies. Crawford's analysis found that the NFIU had done a considerable amount of work in educating these institutions on compliance and reporting in the areas of AML/CFT. An assessment was also done of the NFIU to determine their capacity in the area of AML/CFT. This consisted of discussions with key staff, a review and critique of their organizational structure and work flow, as well as a physical inspection of their facilities.

Next Steps  
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¶5. (SBU) FINCEN will submit a report by mid November to the Egmont Group's Outreach Working Group (OWG). The OWG will review and make a recommendation to the Legal Working Group (LWG). The LWG makes

the final assessment to ensure that the NFIU's fulfills and meets the requirements for Egmont admission. Some of the requirements are that the FIU be fully operational, is legally capable and willing to cooperate on information exchange, and has a sponsoring Egmont FIU, all of which the NFIU satisfies. If the NFIU is admitted it will be announced at the next plenary session of the Egmont Group in March 2007. Crawford opined that the assessment went very well and he did not see any reason why the NFIU would not be admitted. The only area of concern could be denial for political reasons, which would have nothing to do with NFIU's ability to investigate and prosecute AML/CFT cases.

NFIU - Positive Progress

16. (SBU) COMMENT: The benefits from membership are enormous for Nigeria and would enhance the NFIU's law enforcement efforts globally by providing them another source of foreign intelligence that may be critical to their investigations. During this assessment we were able to see remarkable results in the NFIU from FINCEN training. The NFIU has done a good job in training the local banking and financial institutions on how to recognize and report suspicious transactions. This is in conjunction with legislation passed for AML/CTF as well as Central Bank regulations. Since 2005 the NFIU have had over 80 convictions, because of FINCEN training. The NFIU have and continue to be very appreciative of FINCEN and is interested in additional training in the areas of typologies and methodologies. This would include developing their analytical skills as well as on the ground mentoring of NFIU staff to better evaluate cases. There are also a number of government organizations that have expressed a willingness to take advantage of FINCEN's training, including the Federal Inland Revenue Service, the Securities and Exchange Commission, and the Nigeria Deposit Insurance Commission. In this area, Nigerians are eager for dialogue and U.S. agencies interested should build on this openness.

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END COMMENT.

CAMPBELL